

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)
APPLICATION OF THE FUEL)
ADJUSTMENT CLAUSE OF BLUE)
GRASS ENERGY COOPERATIVE) CASE NO. 2011-00489
CORPORATION FROM MAY 1, 2011)
THROUGH OCTOBER 31, 2011)

O R D E R

Pursuant to 807 KAR 5:056, the Commission, on January 26, 2012, established this case to review and evaluate the operation of the Fuel Adjustment Clause ("FAC") of Blue Grass Energy Cooperative Corporation ("Blue Grass") for the six-month period that ended on October 31, 2011.

As part of this review, Blue Grass complied with the Commission's Order to submit certain information concerning its compliance with 807 KAR 5:056. The Commission further ordered that a public hearing be held in this case and indicated that, if no interested party notified the Commission of its intent to attend by March 6, 2012, the hearing would be cancelled and the matter would be considered submitted for decision based on the evidence in the record.

No individual or entity advised the Commission of their intent to attend the hearing by March 6, 2012. The public hearing was cancelled and the matter is considered submitted for decision based on the evidence in the record.

The Commission, having considered the evidence in the record and being otherwise sufficiently advised, finds no evidence that Blue Grass has improperly calculated or applied its FAC charge.

IT IS THEREFORE ORDERED that the charges and credits applied by Blue Grass through the FAC for the period May 1, 2011 through October 31, 2011 are approved.

By the Commission

ENTERED *PA*
MAY 01 2012
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Mike Williams
President & CEO
Blue Grass Energy Cooperative Corp.
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